| Expedited Bill | No. <u>34-12</u> | | |
|----------------|------------------|-----------|------|
| Concerning: S | Stormwater I | Manageme | nt - |
| Water Qua | ality Protecti | on Charge | |
| Revised: 4-1 | 6-13 | Draft No. | 4 |
| Introduced: | November | 27, 2012 | |
| Enacted: | | | |
| Executive: | | | |
| Effective: | July 1, 201 | 3 | |
| Sunset Date: | None | | |
| Ch la | ws of Mont | Cn | |

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

AN EXPEDITED ACT to:

- (1) subject all properties not otherwise exempt under state law to the Water Quality Protection Charge;
- (2) allow certain property owners to obtain a credit equal to a certain percentage of the Charge;
- (3) exempt certain property owners that are able to demonstrate substantial financial hardship;
- (4) provide for a phase-in of certain increases to the Charge; and
- (5) generally amend County law regarding the Water Quality Protection Charge.

By amending

Montgomery County Code Chapter 19, Erosion, Sediment Control and Storm Water Management Sections 19-21, 19-28, 19-29, 19-35

By adding

<u>Chapter 19, Erosion, Sediment Control and Storm Water Management Section 19-29A</u>

| Boldface | Heading or defined term. |
|------------------------------|---|
| <u>Underlining</u> | Added to existing law by original bill. |
| [Single boldface brackets] | Deleted from existing law by original bill. |
| Double underlining | Added by amendment. |
| [[Double boldface brackets]] | Deleted from existing law or the bill by amendment. |
| * * * | Existing law unaffected by bill. |
| | |

The County Council for Montgomery County, Maryland approves the following Act:

| 1 | Sec. 1. Sections 19-21, 19-28, 19-29 and 19-35 are amended, and Section |
|----|--|
| 2 | 19-29A is added, as follows: |
| 3 | 19-21. Definitions |
| 4 | * * * |
| 5 | [Associated nonresidential property: A nonresidential property from which |
| 6 | stormwater drains into a stormwater management facility that primarily |
| 7 | serves one or more residential properties.] |
| 8 | * * * |
| 9 | Impervious area or impervious surface: Any surface that prevents or |
| 10 | significantly impedes the infiltration of water into the underlying soil, |
| 11 | including any structure, building, patio, [deck,] sidewalk, compacted gravel, |
| 12 | pavement, asphalt, concrete, stone, brick, tile, swimming pool, or artificial |
| 13 | turf. Impervious surface also includes any area used by or for motor |
| 14 | vehicles or heavy commercial equipment, regardless of surface type or |
| 15 | material, including any road, [road shoulder,] driveway, or parking area. |
| 16 | * * * |
| 17 | Nonprofit organization: A corporation, foundation, or other legal entity that |
| 18 | is exempt from income taxation under Section 501(c)(3) of the Internal |
| 19 | Revenue Code. |
| 20 | * * * ————————————————————————————————— |
| 21 | Person: An individual;[, corporation, firm, partnership, joint venture, |
| 22 | agency, organization, municipal corporation,] a legal entity; or a department, |
| 23 | agency, or instrument of the County or, [state agency, or any combination of |
| 24 | them] to the extent allowed by law, federal, state, or local government. |
| 25 | * * * |
| 26 | 19-28. Inspection and maintenance of stormwater management systems. |

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(b) Maintenance of new stormwater management systems.

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- (1) Before issuing a sediment control permit to develop any property that requires implementation of best management practices, the Department must require the property owner to execute an easement and an inspection and maintenance agreement that is binding on each later [owner[s]] owner of the land to be served by any private stormwater management system.
- (2) The easement must give the County a perpetual right of access to the stormwater management system at all reasonable times to inspect, operate, monitor, install, construct, reconstruct, modify, maintain, clean, or repair any part of the stormwater management system [within] in the area covered by the easement as needed to assure that the system remains in proper working condition under approved design and environmental standards. The inspection and maintenance agreement must require the owner to be responsible for all maintenance of any completed **ESD** treatment and nonstructural system maintenance of any on-site stormwater management facility if development consists of residential property [[or [associated] of nonresidential property that contains a stormwater management facility built or retrofitted by the County]]. Otherwise, the inspection and maintenance agreement must require the owner to be responsible forever for all maintenance of the entire on-site stormwater management system, including maintaining in good condition, and promptly repairing and restoring, each ESD practice, grade surface, wall,

| 55 | | drain, dam and structure, vegetation, erosion and sediment |
|--------|----------------|--|
| 56 | | control measure, and any other protective device [forever]. |
| 57 | (3) | The owner must record the easement and agreement in the |
| 58 | | County land records and deliver a certified copy of each |
| 59 | | recorded document to the Departments of Permitting Services |
| 60 | | and Environmental Protection before the Department may issue |
| 61 | | a completion certificate. |
| 62 | (4) | After the Department issues a completion certificate for |
| 63 | | construction of a new stormwater management facility, the |
| 64 | | County must perform all structural maintenance on the facility |
| 65 | | if the facility serves residential property [[or [associated] is a |
| 66 | | facility built or retrofitted by the County that serves |
| 67 | | nonresidential property]] unless the inspection and maintenance |
| 68 | | agreement requires the property owner to be responsible for |
| 69 | | structural maintenance of the facility. No other person may |
| 70 | | perform structural maintenance on a stormwater management |
| 71 | | facility that the County is required to structurally maintain |
| 72 | | without the County's written consent. |
| 73 | (5) | Any repair or restoration and maintenance performed under this |
| 74 | | Section must comply with each previously approved or newly |
| 75 | | submitted plan and any reasonable corrective measure specified |
| 76 | | by the Director of Environmental Protection. |
| 77 (c) | Main | tenance of existing <u>or retrofitted</u> stormwater management |
| 78 | [facil | ities] systems. |
| 79 | (1) | The owner of a stormwater management facility that is not |
| 80 | | subject to subsection (b) must perform all structural |
| 31 | | maintenance needed to keep the facility in proper working |

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condition. The owner of a residential property or [associated] a nonresidential property that contains a stormwater management facility built or retrofitted by the County, or a homeowners' association that includes the residential property, may execute a stormwater management easement granting the County a perpetual right of access to inspect, operate, monitor, install, construct, reconstruct, modify, maintain, clean, or repair any part of the stormwater management facility [within] in the easement as needed to assure that the facility remains in proper working condition under approved design standards.

- (2) If the owner of a stormwater management facility grants a stormwater management easement to the County, the owner must make any structural repairs needed to place the facility in proper working condition, as determined by the Department of Environmental Protection, before the County enters into an inspection and maintenance agreement with the owner that [obligates] makes the County [to assume responsibility] responsible for structural maintenance of the facility. After the owner and the County have agreed that the County will [assume responsibility be responsible for structural maintenance of the facility, the owner must record in the County land records the easement and any other agreement executed in conjunction with the easement that binds any later owner of the land. The owner must deliver a certified copy of each recorded document to the Department of Environmental Protection.
- (3) After the Department of Environmental Protection receives a certified copy of the easement and agreements, the County must

| 109 | | structurally maintain and inspect the facility as provided in |
|-----|----------------|---|
| 110 | | subsection (b). |
| 111 | | (4) If a property contains [[an ESD treatment]] a stormwater |
| 112 | | management system that was installed or retrofitted by the |
| 113 | | County under a sediment control permit, the inspection and |
| 114 | | maintenance agreement may require the County to maintain the |
| 115 | | system. |
| 116 | | * * * |
| 117 | 19-29. | Stormwater management loan program. |
| 118 | (a) | The Department of Environmental Protection must create a |
| 119 | | Stormwater Management Loan Program. The Program must provide |
| 120 | | direct loans to eligible homeowners' associations and other residential |
| 121 | | [and associated nonresidential] property owners to: |
| 122 | | (1) make structural repairs to restore a stormwater management |
| 123 | | facility to acceptable design standards before the owner |
| 124 | | petitions the County to assume responsibility for future |
| 125 | | structural maintenance of the facility under Section 19-28(d), or |
| 126 | | (2) cover the cost of abandoning a facility under Section 19-28(e). |
| 127 | | * * * |
| 128 | <u>19-29A.</u> | Watershed restoration grants program. |
| 129 | <u>(a)</u> | The Director of Environmental Protection may establish a Watershed |
| 130 | | Restoration Grant Program. The purpose of the Program is to provide |
| 131 | | funds to non-profit organizations to perform water quality protection |
| 132 | | or improvement activities that would help the County satisfy |
| 133 | | applicable regulatory requirements of the County's National Pollutant |
| 134 | | Discharge Elimination Systems permit. |

| 135 | <u>(b)</u> | To identify non-profit organizations to perform water quality |
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| 136 | | protection or improvement activities, the Director of the Department |
| 137 | | of General Services may issue a competitive solicitation under |
| 138 | | Chapter 11B that is limited to non-profit organizations. |
| 139 | <u>(c)</u> | The Director of Environmental Protection may also establish a |
| 140 | | supplemental grant program to offset the cost to eligible homeowners |
| 141 | | associations of paying the Charge assessed under Section 19-35 for |
| 142 | | those private roads which are: |
| 143 | | (1) open to the public without restriction; |
| 144 | | (2) not parking lots; and |
| 145 | | (3) eligible to receive State highway user revenue. |
| 146 | 19-35. | Water Quality Protection Charge. |
| 147 | | [[* * *]] |
| 148 | (a) | As authorized by State law [[(Maryland Code, Environment Art., § 4- |
| 149 | | 204)]], the Director of Finance must annually impose and collect a |
| 150 | | Water Quality Protection Charge, as provided in this Section. The |
| 151 | | Director must collect the Charge in the same manner as County real |
| 152 | | property taxes, apply the same interest, penalties, and other remedies |
| 153 | | (including tax sale) if the Charge is not paid, and generally treat the |
| 154 | | Charge for collection and administration purposes as if it were a |
| 155 | | County real property tax. The Director may treat any unpaid Charge |
| 156 | | as a lien on the property to which the charge applies. |
| 157 | (b) | The Charge must be imposed on each [residential property and |
| 158 | | associated nonresidential] property, as specified in regulations |
| 159 | | adopted by the Executive under Method (1) to administer this Section. |
| 160 | | The regulations may define different classes of real property, |
| 161 | | depending on the amount of impervious surface on the property, |

| 162 | | storm | iwater | runoff | from | the | property | , and | other | relevant |
|-----|-----|------------|-------------|-------------|------------------|---------------|----------------|-------------------|--------------|------------------|
| 163 | | chara | cterist | ics, for pu | irposes | of app | lying the (| Charge. | | |
| 164 | | | | | * | * | * | | | |
| 165 | (e) | [[The | regula | ations ma | y allow | credi | ts against | and exe | mptions | from the |
| 166 | | Char | ge: | | | | | | | |
| 167 | | | (1) | to the | extent | that | credits a | nd exer | nptions | are not |
| 168 | | | | prohibite | ed by St | ate lav | w; and | | | |
| 169 | | | (2) | if each c | redit or | exem | ption will | enhance | e water | quality or |
| 170 | | | | otherwis | e promo | ote the | purposes | of this A | Article.] |] |
| 171 | | <u>(1)</u> | A pro | perty own | ner may | [[req | uest]] appl | ly for, ar | nd the D | Director of |
| 172 | | | Envir | onmental | Protec | tion | must grar | <u>nt, a cr</u> | edit ec | <u>jual to a</u> |
| 173 | | | perce | ntage, set | by regu | ılation | , of the Ch | narge if: | | |
| 174 | | | <u>(A)</u> | the prop | erty co | <u>ntains</u> | a stormw | ater mai | nageme | nt system |
| 175 | | | | that is no | ot maint | ained | by the Cou | unty [[or | <u>if]];</u> | |
| 176 | | | <u>(B)</u> | the own | ner par | ticipat | <u>es in a</u> | County- | -approv | ed water |
| 177 | | | | quality n | nanagen | nent p | ractice or | <u>initiative</u> | <u>;</u> | |
| 178 | | | <u>(C)</u> | the prope | erty trea | its off | site drain | age fron | other | properties |
| 179 | | | | located v | <u>vithin th</u> | ne sam | e drainage | e area; oi | <u>r</u> | |
| 180 | | | <u>(D)</u> | the prop | erty doe | es not | contain a | stromw | ater ma | <u>nagement</u> |
| 181 | | | | system, | but is | locate | ed in the | same c | drainage | area as |
| 182 | | | | another | that cor | <u>ıtains</u> | a stormwa | ater mar | nageme | nt system |
| 183 | | | | and both | propert | <u>ies ha</u> | ve the sam | ne owner | Ŀ≛ | |
| 184 | | <u>(2)</u> | To re | eceive the | <u>credit</u> | the the | property | owner | must [| submit a |
| 185 | | | reque | st]] apply | to the I | <u>Direct</u> | or of Envi | ronment | al Prote | ction in a |
| 186 | | | <u>form</u> | prescribed | d by the | Direc | tor not lat | <u>er than (</u> | October | <u>31 of the</u> |
| 187 | | | year b | pefore pay | <u>yment</u> o | f the | Charge is | due. A | ny cred | it granted |
| 188 | | | under | this subse | ection is | s valid | for 3 year | s. | | |

| 189 | [[(2)]] (3) The owner of an owner-occupied residential property, or |
|---------|--|
| 190 | any non-profit organization, that [[is able to]] can demonstrate |
| 191 | substantial financial hardship may [[request]] apply for an |
| 192 | exemption from all or part of the Charge for that property, |
| 193 | based on criteria set by regulation. The [[owner-occupant]] |
| 194 | owner or organization may apply for the exemption [[by |
| 195 | submitting a written request]] to the Director of |
| 196 | [[Environmental Protection]] Finance not later than April 1 of |
| 197 | the year [[before]] when payment of the Charge is due. |
| 198 (f) | The Director must deposit funds raised by the Charge, and funds for |
| 199 | this purpose from any other source, into a stormwater management |
| 200 | fund. Funds in the stormwater management fund may be applied and |
| 201 | pledged to pay debt service on debt obligations to finance the |
| 202 | construction and related expenses of stormwater management |
| 203 | facilities as approved in the Capital Improvements Program. Funds in |
| 204 | the stormwater management fund must only be used for: |
| 205 | * * * |
| 206 | (3) any other activity authorized by this Article or [[Maryland |
| 207 | Code, Environment Art., § 4-204]] state law. |
| 208 (g | This Charge does not apply to any property located in a municipality |
| 209 | in the County which[[:]] notifies the County that it has imposed or |
| 210 | intends to impose |
| 211 | [[(1) operates a stormwater management program that meets all |
| 212 | applicable federal, State, and County requirements and has |
| 213 | received any necessary federal or State permit; and |
| 214 | (2) imposes]] a similar charge [[or other means of funding]] to fund |
| 215 | its stormwater management program in that municipality. |

| 216 | | * * * |
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| 217 | (i) | A person that believes that the Director of Environmental Protection |
| 218 | | has incorrectly denied the person's [[request]] application for a credit |
| 219 | | or exemption under subsection [[(b)]] (e) may appeal the Director's |
| 220 | | decision to the County Board of Appeals within 10 days after the |
| 221 | | Director issues the decision. |
| 222 | | * * * |
| 223 | Sec. | 2. Implementation <u>; effective date</u> . |
| 224 | (a) | The Council declares that an emergency exists and that this legislation |
| 225 | | is necessary for the immediate protection of the public health and |
| 226 | | safety. This Act takes effect on July 1, 2013. Notwithstanding |
| 227 | | County Code Section 19-35(b), as amended by Section 1 of this Act, |
| 228 | | the Director of Finance must phase in the Water Quality Protection |
| 229 | | Charge as provided in this Section. |
| 230 | (b) | The Director must phase in over [[3]] [[5]] 3 years any increase in the |
| 231 | | Charge that results from the application of Section 19-35(b), as |
| 232 | | amended by Section 1 of this Act, or any regulation adopted under |
| 233 | | that Section, by including: |
| 234 | | (1) only [[one-third]] [[20%]] one-third of the additional |
| 235 | | impervious surface that has been added to the calculation of the |
| 236 | | Charge in the fiscal year that begins on July 1, 2013; |
| 237 | | (2) only [[two-thirds]] [[40%]] two-thirds of the additional |
| 238 | | impervious surface that has been added to the calculation of the |
| 239 | | Charge in the fiscal year that begins on July 1, 2014; [[and]] |
| 240 | | <u>and</u> |

| 241 | | [[(3) only 60% of the additional impervious surface that has been |
|-----|-----|---|
| 242 | | added to the calculation of the Charge in the fiscal year that |
| 243 | | begins on July 1, 2015; |
| 244 | | (4) only 80% of the additional impervious surface that has been |
| 245 | | added to the calculation of the Charge in the fiscal year that |
| 246 | | begins on July 1, 2016; and]] |
| 247 | | [[(3)]] [[(5)]] (3) the full amount of the additional impervious surface |
| 248 | | that has been added to the calculation of the Charge in the fiscal |
| 249 | | year that begins on July 1, [[2015]] [[2017]] 2015. |
| 250 | (c) | The phase-in established in this Section does not apply to any portion |
| 251 | | of the Charge that results from the inclusion in the calculation of the |
| 252 | | Charge of any impervious surface area that is created after [[this Act |
| 253 | | takes effect]] June 30, 2013. |
| 254 | (d) | To receive a credit or exemption under Section [[19-35(b)]] 19-35(e) |
| 255 | | for the fiscal year that begins on July 1, 2013, [[the]] a property owner |
| 256 | | must [[submit a request]] apply to the Director of Environmental |
| 257 | | Protection or the Director of Finance, as applicable, [[on a form |
| 258 | | prescribed by the Director]] not later than [[July 31]] September 30, |
| 259 | | 2013. |
| | | |

| Approved: | |
|---|-----------------|
| Nancy Navarro, President, County Council | 4/16/13 Date |
| Approved: | Date |
| | |
| Isiah Leggett, County Executive | Date |
| This is a correct copy of Council action. | |
| | |